

## **0630.01 Acquiring Consulting Services**

Issued January 6, 1997

**SUBJECT:** Acquiring Consulting Services.

**APPLICATION:** Executive Branch Departments and Sub-units.

**PURPOSE:** To maximize the likelihood of obtaining desired results from consulting projects, in terms of effectiveness and efficiency, proposals for consulting services are subject to central review and approval.

**CONTACT AGENCY:** Department of Management and Budget (DMB) - Office of Information Technology (OIT), Management Practices Program

**TELEPHONE:** 517/373-8816

**FAX:** 517/335-1575

**SUMMARY:** Prior to initiating a requisition through the Office of Purchasing, authorized staff in an Executive Branch Department or Sub-unit shall request approval of proposed consulting services costing more than \$10,000 by submitting a brief letter to the Director of OIT, DMB, with attachments as appropriate.

This letter should state the problem being addressed; describe the proposed project in terms of cost, schedule, and funding sources; specify project objectives, deliverable products, and major tasks; indicate project essentiality; identify the proposed contract administrator and how the project will be monitored.

If a requesting agency believes that the proposed work may not fit the State definition of consulting, and so might not be subject to DMB review and approval, its submission should present a detailed rationale for this position.

DMB will evaluate the priority and technical soundness of each submission, and will determine if the services are consulting.

Within 10 work days, DMB will provide the requesting agency with results of its review or notify the agency of any problems which may delay completion of the review.

**APPLICABLE FORMS:** None.

### **PROCEDURES:**

Requesting Agency:

- Submits a brief letter, from a departmental deputy director or designee, to the Director, OIT, DMB, with attachments as appropriate, which covers:
  - Problem - A statement of the problem to be solved or ameliorated, in terms of actual vs. desired conditions in the area of concern.
  - Project - Proposed consulting activities in response to the stated problem: estimated cost, starting date, duration, and funding sources with appropriate ADPICS account numbers; and specific project objectives, linked explicitly to corresponding deliverable products and respective major tasks.

- Essentiality - Need, quantifiable benefits, priority within the department's total budget.
- Work Statement - A statement of the specific tasks to be performed by the consultant, literally as given
- in the work statement section of the proposed Request for Proposals (RFP), which may be attached if desired.
- Administrator - Name, Civil Service classification, and organizational position of the proposed contract administrator. (For projects estimated to cost more than \$500,000 or which represent the first phase of a multiple phase project, brief justification must be provided for the named contract administrator. This justification should demonstrate that the proposed contract administrator has the knowledge and experience necessary to manage and control the proposed project successfully, in relating the duties of this position as defined in Procedure 0510.06.)

OIT:

- On receipt of the above information, will perform or coordinate:
  - Program and Budget Priority Review - An examination, in consultation with other offices as needed, of project essentiality in the context of overall State program requirements and limited financial resources.
  - Technical Review - An examination, in consultation with other units in DMB as appropriate, of the agency's capacity, and proposed manner and method for successfully implementing the project.
- Approval of the project will be contingent on finding that the project is of sufficiently high priority to warrant the proposed expenditure, and that the project is technically and administratively sound and will produce a useful service. (DMB approval letters routinely include copies to Civil Service, DMB Director's Office, Budget Offices, and the requesting agency's Administrative Officer.) See also the ADPICS Commodity Code Approval Paths (5983) dated July 10, 1996.

Requesting Agency:

- On approval of the proposed project, agencies will initiate action with the Office of Purchasing, DMB, to procure the required services. Guidance on how to do this is provided in Procedure 0510.07. See also Procedures 0510.02, 0510.03, and 0510.06 if a sole source request is going to be made.

Note: If the total of multiple contracts for the same purpose with a single contractor exceeds \$10,000, or an amendment to an existing contract causes it to exceed \$10,000, these contracts must be reviewed by DMB.

\* \* \*

Distribution Date: 1-6-97  
Procedure 0630.01